



# **Decommissioning Funding Plan**

## **American Centrifuge Lead Cascade Facility**

**at USEC's Facilities in Piketon, Ohio**



Revision 0

NR-2605-0004

**DECOMMISSIONING FUNDING PLAN  
FOR THE AMERICAN CENTRIFUGE LEAD CASCADE FACILITY  
at USEC's Facilities in Piketon, Ohio**

Docket No. 70-7003

**Revision 0**

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## 1.0 INTRODUCTION

USEC Inc. (USEC and also the Applicant) hereby submits, pursuant to the provisions of the *Atomic Energy Act* of 1954, as amended, and the rules and regulations of the U.S. Nuclear Regulatory Commission (NRC), its Decommissioning Funding Plan (DFP or Plan) for the American Centrifuge Lead Cascade Facility (hereafter referred to as the Lead Cascade) at the Portsmouth Gaseous Diffusion Plant (PORTS). This DFP sets forth that information required by 10 *Code of Federal Regulations* (CFR) Part 70 regarding the Applicant's plans for funding the ultimate decommissioning of the Lead Cascade.

As indicated below, USEC presently intends to provide for decommissioning funding through a surety bond in accordance with applicable requirements of 10 CFR Part 70. The actual guarantee to be used will be made prior to licensing of the facility. In the interim, appropriate model documentation for this funding method is attached hereto. Upon execution of the funding instruments, USEC will supplement this portion of its application.

## 2.0 GENERAL INFORMATION

**Facility Description:** USEC is a global energy company and the world's leading supplier of enriched uranium utilized for reactor fuel for commercial nuclear power plants. USEC signed an Agreement with the U.S. Department of Energy (DOE) on June 17, 2002, in which it agreed to submit a license application for the Lead Cascade to support deployment of new, cost-effective advanced enrichment technology in the United States using gas centrifuges. The Lead Cascade is to be located in areas leased by USEC from the DOE at PORTS.<sup>1</sup>

**Licensed Material:** The License Application for the Lead Cascade seeks authorization to operate the facility to recycle UF<sub>6</sub> through centrifuge machines. Uranium enriched in the <sup>235</sup>U isotope up to the certified limit of PORTS (10 weight percent <sup>235</sup>U) will be recombined with material depleted in the <sup>235</sup>U isotope. No enriched product will be removed from the cascade, except for samples. The facility, when at full capacity, will have up to 240 operating centrifuge machines and will possess up to 250 kilograms of UF<sub>6</sub>. Pursuant to 10 CFR 70.25(a), a DFP is required.

**Schedule:** The projected operational date for the Lead Cascade is October 2005.

**Period of Operation:** The License Application seeks authorization to operate for a period of five years.

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<sup>1</sup> Details regarding the planned operations of the Lead Cascade may be found in the License Application and the accompanying Environmental Report.

**Decommissioning Costs:** USEC has prepared a site-specific decommissioning cost estimate for the ultimate decommissioning of the Lead Cascade for de-leasing and return to DOE. This cost estimate utilizes current information regarding the activities and associated costs of decommissioning. The estimate and associated funding mechanisms will be adjusted over time, in accordance with the applicable provisions of 10 CFR Part 70.

**Decommissioning Funding:** As set forth in this Plan, USEC presently intends to utilize a surety bond, to provide reasonable assurance of the availability of decommissioning funds when needed. This funding mechanism is intended to satisfy the provisions of 10 CFR Part 70 with respect to decommissioning financial assurance for license applicants under those provisions.

### **3.0 DECOMMISSIONING COST ESTIMATE**

Pursuant to 10 CFR 70.25(e), USEC has evaluated the estimated costs of decommissioning the Lead Cascade. The facility will be decommissioned such that the facilities may be de-leased and returned to the DOE. A summary of the estimated costs of decommissioning, arranged by principal activity, is set forth in the table below. A cost estimate is provided in Chapter 10.0 of the License Application for the American Centrifuge Lead Cascade Facility.<sup>2</sup> As indicated below, the total estimated cost of decommissioning the facility is \$6.5 million (in 2002 dollars).

Separate estimates for decontamination and waste disposal were developed. Activities required for decommissioning have been identified, and decommissioning costs have been estimated. Costs projected were developed based on the experience at PORTS during the transition to Cold Standby operation. Other activities and estimated costs for decommissioning were developed based on a recent evaluation prepared by USEC concerning removal of the DOE centrifuges that remain at the PORTS site in the former Gas Centrifuge Enrichment Plant process buildings. Additionally, USEC has performed dismantling and decontamination work at the gaseous diffusion plants; data and experience from these activities allowed a realistic estimation of decommissioning financial expenditures.

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<sup>2</sup> A description of the activities associated with decommissioning is also provided in Chapter 10.0 of the License Application for the American Centrifuge Lead Cascade Facility.

Activity	Estimated Cost (2002 dollars)
Planning and Preparation	\$550,000
System Cleaning, Decontamination and Dismantling of Radioactive Facilities	\$2,800,000
Packaging, Shipping, and Disposal of Radioactive Wastes	\$2,800,000
Restoration of Contaminated Areas On Facility Grounds	\$150,000
Final Radiation Survey	\$120,000
NRC Staff review and approval of decommissioning plan	\$80,000
TOTAL	\$6,500,000

There are no decommissioning costs associated with disposition of UF<sub>6</sub> since USEC intends to utilize this material in future enrichment operations.

Finally, USEC recognizes the need to adjust cost estimates and funding levels periodically, pursuant to 10 CFR 70.25(e). These measures are described below. USEC also recognizes that, pursuant to 10 CFR 70.38(c)(2)(iii)(d), it must update its detailed cost estimate at the time of license termination and provide, if necessary, additional assurance of the availability of adequate funds for completion of decommissioning.

#### 4.0 DECOMMISSIONING FUNDING MECHANISM

USEC presently intends to utilize a surety bond to provide reasonable assurance of decommissioning funding, pursuant to 10 CFR 70.25(f)(3). Accordingly, USEC provides with this application model documentation related to the use of the surety method of providing decommissioning financial assurance.<sup>3</sup> Upon finalization of the specific funding instruments to be utilized, USEC will supplement its application to include the executed documentation.

<sup>3</sup> The model documentation is derived from NRC guidance in NUREG-1727, *NMSS Decommissioning Standard Review Plan*, September 2000. USEC will consider this model documentation as guidance in preparing and executing funding instruments for the Lead Cascade. In the event USEC ultimately selects another form of decommissioning funding, model documentation from NUREG-1727 will also be used as guidance in the preparation of funding instruments.

As noted, USEC presently intends to utilize a surety bond to provide financial assurance for decommissioning. The surety bond will provide an ultimate guarantee that decommissioning costs will be paid in the event USEC is unable to meet its decommissioning obligations at the time of decommissioning. A copy of a model surety bond is provided in Appendix A to this plan. USEC describes below the particular attributes it presently anticipates including in the surety bond.

With respect to the Surety Bond, USEC presently anticipates providing for the following attributes: First, a Company that is listed as a qualified surety listed in the Department of Treasury's most recent edition of Circular 570 for the State where the Surety was signed with an underwriting limitation greater than or equal to the level of coverage specified in the bond will issue the bond. Second, the bond will be written for a specified term and will be renewable automatically unless the issuer serves notice at least 90 days prior to expiration of intent not to renew. Such notice must be served upon the NRC, the trustee of the external or Standby Trust, and USEC. Further, in the event USEC is unable to provide an acceptable replacement within 30 days of such notice, the full amount of the bond will be payable automatically, prior to expiration, without proof of forfeiture.

The Surety Bond will require that the surety company will deposit any funds paid under its terms directly into either an external trust or a Standby Trust. A copy of a model Standby Trust is provided as Appendix B to this plan.

## **5.0 ADJUSTING DECOMMISSIONING COSTS AND FUNDING**

Pursuant to 10 CFR 70.25(e), USEC will update the decommissioning cost estimate for the Lead Cascade and the funding levels over the life of the facility. These updates will take into account changes resulting from inflation or site-specific factors, such as changes in facility conditions or expected decommissioning procedures.

USEC presently anticipates that the next such update to occur in approximately five years. A record of the updating effort and results will be retained for review (see further discussion regarding record keeping, below). The NRC will be notified of any material changes to the decommissioning cost estimate and associated funding levels (e.g., significant increases in costs beyond anticipated inflation). To the extent the underlying instruments are revised to reflect changes in funding levels, the NRC will be notified as appropriate.

## **6.0 RECORD KEEPING PLANS RELATED TO DECOMMISSIONING FUNDING**

Pursuant to 10 CFR 70.25(g), USEC will keep records until the termination of the license of information that could have a material effect on the ultimate costs of decommissioning. These records will include information regarding: (1) spills or other contamination that cause contaminants to remain following contemporaneous cleanup efforts, (2) as-built drawings of structures and modifications thereto where radioactive contamination exists (e.g., from use or



storage of such materials), (3) original and modified cost estimates of decommissioning, and (4) original and modified decommissioning funding instruments and documentation. USEC will notify the NRC of material changes to the decommissioning cost estimates or funding mechanisms.

## **Appendix A**

### **Model Payment Surety Bond**

**MODEL SURETY BOND**

**PAYMENT SURETY BOND**

Date bond executed: \_\_\_\_\_

Effective date: \_\_\_\_\_

Principal: [Insert legal name and business address of licensee]

Type of organization: [Insert "proprietorship," "partnership," or "corporation"]

State of incorporation: \_\_\_\_\_ (if applicable)

NRC license number, name and address of facility, and amount for decommissioning activities guaranteed by this bond: \_\_\_\_\_

Surety: [Insert name and business address]

Type of organization: [Insert "proprietorship," "partnership," or "corporation"]

State of incorporation: \_\_\_\_\_ (if applicable)

Surety's qualification in jurisdiction where licensed facility is located.

Surety's bond number: \_\_\_\_\_

Total penal sum of bond: \$\_\_\_\_\_

Know all persons by these presents, that we, the Principal and Surety hereto, are firmly bound to the U.S. Nuclear Regulatory Commission (hereinafter called NRC) in the above penal sum for the payment of which we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally; provided that, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such Surety; but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.

WHEREAS, the U.S. Nuclear Regulatory Commission, an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, has promulgated regulations in Title 10, Chapter I of the Code of Federal Regulations, Part [insert 30, 40, 70, or 72], applicable to the Principal, which require that a license holder or an applicant for a facility license provide financial assurance that funds will be available when needed for facility decommissioning;

NOW, THEREFORE, the conditions of the obligation are such that if the Principal shall faithfully, before the beginning of decommissioning of each facility identified above, fund the standby trust fund in the amount(s) identified above for the facility;

Or, if the Principal shall fund the standby trust fund in such amount(s) after an order to begin facility decommissioning is issued by NRC or a U.S. District Court or other court of competent jurisdiction;

Or, if the Principal shall provide alternative financial assurance, and obtain NRC's written approval of such assurance, within 30 days after the date a notice of cancellation from the Surety is received by both the Principal and the NRC, then this obligation shall be null and void; otherwise it is to remain in full force and effect.

The Surety shall become liable on this bond obligation only when the Principal has failed to fulfill the conditions described above. Upon notification by the NRC that the Principal has failed to perform as guaranteed by this bond, the Surety shall place funds in the amount guaranteed for the facility into the standby trust fund.

The liability of the Surety shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the penal sum of the bond, but in no event shall the obligation of the Surety hereunder exceed the amount of said penal sum.

The Surety may cancel the bond by sending notice of cancellation by certified mail to the Principal and to the NRC provided, however, that cancellation shall not occur during the 90 days beginning on the date of receipt of the notice of cancellation by both the Principal and the NRC, as evidenced by the return receipts.

The Principal may terminate this bond by sending written notice to the NRC and to the Surety 90 days prior to the proposed date of termination, provided, however, that no such notice shall become effective until the Surety receives written authorization for termination of the bond from the NRC.

The Principal and Surety hereby agree to adjust the penal sum of the bond yearly so that it guarantees a new amount, provided that the penal sum does not increase by more than 20 percent in any one year and no decrease in the penal sum takes place without the written permission of the NRC.

If any part of this agreement is invalid, it shall not affect the remaining provisions that will remain valid and enforceable.

In Witness Whereof, the Principal and Surety have executed this financial guarantee bond and have affixed their seals on the date set forth above.

The persons whose signatures appear below hereby certify that they are authorized to execute this surety bond on behalf of the Principal and Surety.

Principal

[Signatures]

[Names]

[Titles]

[Corporate seal]

Corporate Surety

[Name and address]

State of incorporation: \_\_\_\_\_

Liability limit: \$\_\_\_\_\_

[Signatures]

[Names and titles]

[Corporate seal]

[For every co-surety, provide signatures, names and titles, corporate seal, and other information in the same manner as for the Sureties above.]

Bond Premium: \$\_\_\_\_\_

## **Appendix B**

### **Model Standby Trust Agreement**

## STANDBY TRUST AGREEMENT

TRUST AGREEMENT, the Agreement entered into as of [insert date] by and between [insert name of licensee], a [insert name of State] [insert "corporation," "partnership," or "proprietorship"], herein referred to as the "Grantor," and [insert name and address of a trustee acceptable to NRC], the "Trustee."

WHEREAS, the U.S. Nuclear Regulatory Commission (NRC), an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, has promulgated regulations in Title 10, Chapter I, of the Code of Federal Regulations, Part [insert 30, 40, 70, or 72]. These regulations, applicable to the Grantor, require that a holder of, or an applicant for, a materials license issued pursuant to 10 CFR Part [insert 30, 40, 70, or 72] provide assurance that funds will be available when needed for required decommissioning activities.

WHEREAS, the Grantor has elected to use a [insert "letter of credit," "line of credit," "surety bond," "insurance policy," "parent company guarantee," or "self-guarantee"] to provide [insert "all" or "part"] of such financial assurance for the facilities identified herein; and

WHEREAS, when payment is made under a [insert "letter of credit," "line of credit," "surety bond," "insurance policy," "parent company guarantee," or "self-guarantee"], this standby trust shall be used for the receipt of such payment; and

WHEREAS, the Grantor, acting through its duly authorized officers, has selected the Trustee to be the trustee under this Agreement, and the Trustee is willing to act as trustee;

NOW, THEREFORE, the Grantor and the Trustee agree as follows:

Section 1. Definitions. As used in this Agreement:

- (a) The term "Grantor" means the NRC licensee who enters into this Agreement and any successors or assigns of the Grantor.
- (b) The term "Trustee" means the trustee who enters into this Agreement and any successor trustee.

Section 2. Costs of Decommissioning. This Agreement pertains to the costs of decommissioning the materials and activities identified in License Number [insert license number] issued pursuant to 10 CFR Part [insert 30, 40, 70, or 72], as shown in Schedule A.

Section 3. Establishment of Fund. The Grantor and the Trustee hereby establish a standby trust fund (the Fund) for the benefit of the NRC. The Grantor and the Trustee intend that no third party shall have access to the Fund except as provided herein.

Section 4. Payments Constituting the Fund. Payments made to the Trustee for the Fund shall consist of cash, securities, or other liquid assets acceptable to the Trustee. The Fund is established initially as consisting of the property, which is acceptable to the Trustee, described in Schedule B attached hereto. Such property and any other property subsequently transferred

to the Trustee are referred to as the "Fund," together with all earnings and profits thereon, less any payments or distributions made by the Trustee pursuant to this Agreement. The Fund shall be held by the Trustee, IN TRUST, as hereinafter provided. The Trustee shall not be responsible nor shall it undertake any responsibility for the amount of, or adequacy of the Fund, nor any duty to collect from the Grantor, any payments necessary to discharge any liabilities of the Grantor established by the NRC.

Section 5. Payment for Required Activities Specified in the Plan. The Trustee shall make payments from the Fund to the Grantor upon presentation to the Trustee of the following:

- (a) A certificate duly executed by the Secretary of the Grantor attesting to the occurrence of the events, and in the form set forth in the attached Certificate of Events, and
- (b) A certificate attesting to the following conditions:
  - (1) that decommissioning is proceeding pursuant to an NRC-approved plan;
  - (2) that the funds withdrawn will be expended for activities undertaken pursuant to that plan; and
  - (3) that the NRC has been given 30 days prior notice of [insert name of licensee]'s intent to withdraw funds from the trust fund.

No withdrawal from the Fund for a particular license can exceed 10 percent of the remaining funds available for that license unless NRC written approval is attached.

In addition, the Trustee shall make payments from the Fund as the NRC shall direct, in writing, to provide for the payment of the costs of required activities covered by this Agreement. The Trustee shall reimburse the Grantor or other persons as specified by the NRC from the Fund for expenditures for required activities in such amounts as the NRC shall direct in writing. In addition, the Trustee shall refund to the Grantor such amounts as the NRC specifies in writing. Upon refund, such funds shall no longer constitute part of the Fund as defined herein.

Section 6. Trust Management. The Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund, without distinction between principal and income, in accordance with general investment policies and guidelines which the Grantor may communicate in writing to the Trustee from time to time, subject, however, to the provisions of this section. In investing, reinvesting, exchanging, selling, and managing the Fund, the Trustee shall discharge its duties with respect to the Fund solely in the interest of the beneficiary and with the care, skill, prudence and diligence under the circumstances then prevailing which persons of prudence, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims; except that:

- (a) Securities or other obligations of the Grantor, or any other owner or operator of the facilities, or any of their affiliates as defined in the Investment Company Act of 1940, as amended (15 U.S.C. 80a-2(a)), shall not be acquired or held, unless they are securities or other obligations of the Federal or a State government;



- (b) The Trustee is authorized to invest the Fund in time or demand deposits of the Trustee, to the extent insured by an agency of the Federal government, and in obligations of the Federal government such as GNMA, FNMA, and FHLM bonds and certificates or State and Municipal bonds rated BBB or higher by Standard & Poor's or Baa or higher by Moody's Investment Services; and
- (c) For a reasonable time, not to exceed 60 days, the Trustee is authorized to hold uninvested cash, awaiting investment or distribution, without liability for the payment of interest thereon.

Section 7. Commingling and Investment. The Trustee is expressly authorized in its discretion:

- (a) To transfer from time to time any or all of the assets of the Fund to any common, commingled, or collective trust fund created by the Trustee in which the Fund is eligible to participate, subject to all of the provisions thereof, to be commingled with the assets of other trusts participating therein; and
- (b) To purchase shares in any investment company registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.), including one that may be created, managed, underwritten, or to which investment advice is rendered, or the shares of which are sold by the Trustee. The Trustee may vote such shares in its discretion.

Section 8. Express Powers of Trustee. Without in any way limiting the powers and discretion conferred upon the Trustee by the other provisions of this Agreement or by law, the Trustee is expressly authorized and empowered:

- (a) To sell, exchange, convey, transfer, or otherwise dispose of any property held by it, by public or private sale, as necessary to allow duly authorized withdrawals at the joint request of the Grantor and the NRC or to reinvest in securities at the direction of the Grantor;
- (b) To make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;
- (c) To register any securities held in the Fund in its own name, or in the name of a nominee, and to hold any security in bearer form or in book entry, or to combine certificates representing such securities with certificates of the same issue held by the Trustee in other fiduciary capacities, to reinvest interest payments and funds from matured and redeemed instruments, to file proper forms concerning securities held in the Fund in a timely fashion with appropriate government agencies, or to deposit or arrange for the deposit of such securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee or such depository with other securities deposited therein by another person, or to deposit or arrange for the deposit of any securities issued by the U.S. Government, or any agency or instrumentality thereof, with a Federal Reserve Bank, but the books and records of the Trustee shall at all times show that all such securities are part of the Fund;

- (d) To deposit any cash in the Fund in interest-bearing accounts maintained or savings certificates issued by the Trustee, in its separate corporate capacity, or in any other banking institution affiliated with the Trustee, to the extent insured by an agency of the Federal government; and
- (e) To compromise or otherwise adjust all claims in favor of or against the Fund.

Section 9. Taxes and Expenses. All taxes of any kind that may be assessed or levied against or in respect of the Fund and all brokerage commissions incurred by the Fund shall be paid from the Fund. All other expenses incurred by the Trustee in connection with the administration of this Trust, including fees for legal services rendered to the Trustee, the compensation of the Trustee to the extent not paid directly by the Grantor, and all other proper charges and disbursements of the Trustee shall be paid from the Fund.

Section 10. Annual Valuation. After payment has been made into this standby trust fund, the Trustee shall annually, at least 30 days before the anniversary date of receipt of payment into the standby trust fund, furnish to the Grantor and to the NRC a statement confirming the value of the Trust. Any securities in the Fund shall be valued at market value as of no more than 60 days before the anniversary date of the establishment of the Fund. The failure of the Grantor to object in writing to the Trustee within 90 days after the statement has been furnished to the Grantor and the NRC shall constitute a conclusively binding assent by the Grantor, barring the Grantor from asserting any claim or liability against the Trustee with respect to the matters disclosed in the statement.

Section 11. Advice of Counsel. The Trustee may from time to time consult with counsel with respect to any question arising as to the construction of this Agreement or any action to be taken hereunder. The Trustee shall be fully protected, to the extent permitted by law, in acting on the advice of counsel.

Section 12. Trustee Compensation. The Trustee shall be entitled to reasonable compensation for its services as agreed upon in writing with the Grantor. (See Schedule C.)

Section 13. Successor Trustee. Upon 90 days notice to the NRC and the Grantor, the Trustee may resign; upon 90 days notice to NRC and the Trustee, the Grantor may replace the Trustee; but such resignation or replacement shall not be effective until the Grantor has appointed a successor Trustee, the successor accepts the appointment, the successor is ready to assume its duties as trustee, and NRC has agreed, in writing, that the successor is an appropriate State or Federal government agency or an entity that has the authority to act as a trustee and whose trust operations are regulated and examined by a Federal or State agency. The successor Trustee shall have the same powers and duties as those conferred upon the Trustee hereunder. When the resignation or replacement is effective, the Trustee shall assign, transfer, and pay over to the successor Trustee the funds and properties then constituting the Fund. If for any reason the Grantor cannot or does not act in the event of the resignation of the Trustee, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee or for instructions. The successor Trustee shall specify the date on which it assumes administration of the trust, in a writing sent to the Grantor, the NRC, and the present Trustee, by certified mail 10 days before such change becomes effective. Any expenses incurred by the

Trustee as a result of any of the acts contemplated by this section shall be paid as provided in Section 9.

Section 14. Instructions to the Trustee. All orders, requests, and instructions by the Grantor to the Trustee shall be in writing, signed by such persons as are signatories to this Agreement or such other designees as the Grantor may designate in writing. The Trustee shall be fully protected in acting without inquiry in accordance with the Grantor's orders, requests, and instructions. If the NRC issues orders, requests, or instructions to the Trustee these shall be in writing, signed by the NRC or its designees, and the Trustee shall act and shall be fully protected in acting in accordance with such orders, requests, and instructions. The Trustee shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of the Grantor or the NRC hereunder has occurred. The Trustee shall have no duty to act in the absence of such orders, requests, and instructions from the Grantor and/or the NRC, except as provided for herein.

Section 15. Amendment of Agreement. This Agreement may be amended by an instrument in writing executed by the Grantor, the Trustee, and the NRC, or by the Trustee and the NRC if the Grantor ceases to exist. All amendments shall meet the relevant regulatory requirements of the NRC.

Section 16. Irrevocability and Termination. Subject to the right of the parties to amend this Agreement as provided in Section 15, this trust shall be irrevocable and shall continue until terminated at the written agreement of the Grantor, the Trustee, and the NRC, or by the Trustee and the NRC if the Grantor ceases to exist. Upon termination of the trust, all remaining trust property, less final trust administration expenses, shall be delivered to the Grantor or its successor.

Section 17. Immunity and Indemnification. The Trustee shall not incur personal liability of any nature in connection with any act or omission, made in good faith, in the administration of this trust, or in carrying out any directions by the Grantor or the NRC issued in accordance with this Agreement. The Trustee shall be indemnified and saved harmless by the Grantor or from the trust fund, or both, from and against any personal liability to which the Trustee may be subjected by reason of any act or conduct in its official capacity, including all expenses reasonably incurred in its defense in the event the Grantor fails to provide such defense.

Section 18. This Agreement shall be administered, construed, and enforced according to the laws of the State of [insert name of State].

Section 19. Interpretation and Severability. As used in this Agreement, words in the singular include the plural and words in the plural include the singular. The descriptive headings for each section of this Agreement shall not affect the interpretation or the legal efficacy of this Agreement. If any part of this Agreement is invalid, it shall not affect the remaining provisions which will remain valid and enforceable.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by the respective officers duly authorized and the incorporate seals to be hereunto affixed and attested as of the date first written above.

[Insert name of licensee (Grantor)]  
[Signature of representative of Grantor]  
[Title]

ATTEST:  
[Title]  
[Seal]

[Insert name of Trustee]  
[Signature of representative of Trustee]  
[Title]

ATTEST:  
[Title]  
[Seal]

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## MODEL STANDBY TRUST AGREEMENT SCHEDULES

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### Schedule A

This Agreement demonstrates financial assurance for the following cost estimates or certification amounts for the following licensed activities:

U.S. NUCLEAR REGULATORY COMMISSION LICENSE NUMBER(S)	NAME AND ADDRESS OF LICENSEE	ADDRESS OF LICENSED ACTIVITY	COST ESTIMATES FOR REGULATORY ASSURANCES DEMONSTRATED BY THIS AGREEMENT
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The cost estimates listed here were last adjusted and approved by the NRC on [insert date].

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### Schedule B

DOLLAR AMOUNT \_\_\_\_\_

AS EVIDENCED BY \_\_\_\_\_

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### Schedule C

Trustee's fees shall be \$ \_\_\_\_\_ per year.